

DONE at Honolulu, Hawaii this _____ day of _____, 2004.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By: _____
Carlito P. Caliboso,
Chairman

By: _____
Wayne H. Kimura,
Commissioner

By: _____
Janet E. Kawelo,
Commissioner

APPROVED AS TO FORM:

Ji Sook Kim
Commission Counsel

03-0272

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Stipulation upon the following party(s), by causing a copy hereof to be mailed, postage prepaid and properly addressed.

Joel K. Matsunaga
Vice President-External Affairs
Verizon Hawaii Inc.
P.O. Box 2200
Honolulu, HI 96841

Leslie Alan Ueoka, Esq.
Assistant General Counsel
Verizon Corporate Service Group Inc.
P.O. Box 2200
Honolulu, HI 96841

Department of Commerce and Consumer Affairs
Division of Consumer Advocacy
P.O. Box 541
Honolulu, HI 96809

Alan M. Oshima, Esq.
Michael H. Lau, Esq.
Oshima, Chun, Fong & Chung
841 Bishop Street, Suite 400
Honolulu, HI 96813

Clay Deanhardt, Esq.
Senior Attorney
AT&T Corp.
795 Folsom Street, Room 2161
San Francisco, CA 94107

Rochelle D. Jones
Vice President, Regulatory Affairs
Time Warner Telecom of Hawaii, L.P. dba Oceanic
Communications
2669 Kilihau Street
Honolulu, HI 96819

J. Douglas Ing, Esq.
Pamela J. Larson, Esq.
Watanabe Ing Kawashima & Komeiji
999 Bishop Street, 23rd Floor
Honolulu, HI 96813

Laura A. Mayhook, Esq.
J. Jeffrey Mayhook, Esq.
Mayhook Law, PLLC
34808 NE 14th Avenue
La Center, WA 98629

Lisa Suan
Pacific LightNet, Inc.
737 Bishop Street, Suite 1900
Honolulu, HI 96813

Stephen S. Melnikoff, Esq.
Regulatory Law Office
Office of the Judge Advocate General
U.S. Army Litigation Center
901 North Stuart Street, Suite 700
Arlington, VA 22203-1837

Richard B. Lee
Vice President
Snively King Majoros O'Connor & Lee Inc.
1220 L. Street, N.W., Suite 410
Washington, D.C. 20005

Owen H. Matsunaga, Esq.
Gerson & Hieneman, LLC
ASB Tower, Suite 780
1001 Bishop Street
Honolulu, HI 96813

Bob Livingston
President
Direct Telephone Company Inc.
6300 Richmond, Suite 301
Houston, TX 77057

Tony Thomas
Executive Vice President
Direct Telephone Company Inc.
6300 Richmond, Suite 301
Houston, TX 77057

Clifford K. Higa, Esq.
Bruce Nakamura, Esq.
Kobayashi, Sugita & Goda
999 Bishop Street, Suite 2600
Honolulu, HI 96813

Mr. Alan Pedersen
Vice President-Regulatory Affairs
Sandwich Isles Communications, Inc.
Pauahi Tower 2700
1001 Bishop Street
Honolulu, HI 96813

Judy A. Tanaka, Esq.
Colin A. Yost, Esq.
Paul Johnson Park & Niles
Suite 1300, ASB Tower
1001 Bishop Street
Honolulu, HI 96813

Mr. Robert Munoz
MCI
201 Spear Street, 9th Floor
San Francisco, CA 94105

Karen Higashi, Chief Clerk

DATED

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

----- In the Matter of -----)
)
PUBLIC UTILITIES COMMISSION)
)
Instituting a Proceeding to)
Implement the Federal)
Communications Commission's)
("FCC") Triennial Review Order,)
FCC No. 03-36.)
_____)

DOCKET NO. 03-0272

ORDER NO. 20881

Filed March 31, 2004

At 12:00 o'clock P.M.

Karen Higzel.
Chief Clerk of the Commission

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

----- In the Matter of -----)	
PUBLIC UTILITIES COMMISSION)	Docket No. 03-0272
Instituting a Proceeding to)	Order No. 20881
Implement the Federal)	
Communications Commission's)	
("FCC") Triennial Review Order,)	
FCC No. 03-36.)	
_____)	

ORDER

I.

Introduction

VERIZON HAWAII INC. ("Verizon Hawaii"), on behalf of the parties to this docket (the "TRO¹ Parties"),² informed the commission that the TRO Parties have reached a stipulation on all unresolved issues of this docket by a letter dated and filed on February 20, 2004. The TRO Parties' agreements were formally

¹"TRO" is also known as the *Triennial Review Order or In Re Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, and Deployment of Wireline Services Offering Advanced Telecommunications Capability*; CC Docket Nos. 01-338, 96-98, and 98-147; Report and Order and Order on Remand and Further Notice of Proposed Rulemaking; FCC No. 03-36; Adopted February 20, 2003; Released August 21, 2003.

²The TRO Parties are as follows: (1) Verizon Hawaii; (2) the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY; (3) AT&T COMMUNICATIONS OF HAWAII, INC.; (4) PACIFIC LIGHTNET, INC.; (5) TIME WARNER TELECOM OF HAWAII, L.P. DBA OCEANIC COMMUNICATIONS; (6) THE UNITED STATES DEPARTMENT OF DEFENSE and ALL OTHER FEDERAL EXECUTIVE AGENCIES; (7) DIRECT TELEPHONE COMPANY INC.; (8) SANDWICH ISLES COMMUNICATIONS, INC.; and (9) MCIMETRO ACCESS TRANSMISSION SERVICES, INC.

memorialized in a stipulation filed on March 12, 2004, for commission review and approval ("Stipulation").

II.

Stipulation

The TRO Parties agree in the Stipulation that the commission "need not conduct any impairment or other related reviews at this time, including any review of the appropriate cross over point between enterprise and mass-market customers, and the [TRO] Parties waive any right to such a proceeding." The Stipulation also, among other things, sets forth the TRO Parties' agreements on how future reviews concerning the cross over point between enterprise and mass-market customers and impairment proceedings shall be initiated and preliminarily conducted. Furthermore, the Stipulation indicates that the agreements reached by the TRO Parties "effectively terminates the need for this docket" and the TRO Parties' request that the commission approve the Stipulation and close this docket. The TRO Parties also request that the schedule of proceedings of this docket be suspended.

III.

Discussion

The commission initiated this docket to address our obligations under the TRO.³ The Stipulation appears to be the result of negotiations between the TRO Parties addressing all unresolved matters of this docket.⁴ Upon review, the commission finds the Stipulation to be reasonable and concludes that the Stipulation should be approved, in its entirety.⁵

The commission also finds and concludes that this docket should be closed since our approval of the Stipulation effectively ends the need for further proceedings in this docket.

³The United States Court of Appeals for the District of Columbia Circuit ("D.C. Court of Appeals") issued a decision in *United States Telecom Association v. Federal Communications Commission and United States of America*, No. 00-1012, Argued on January 28, 2004 and Decided on March 2, 2004 that vacated and remanded portions of the TRO. The D.C. Court of Appeals temporarily stayed its own decision for a minimum of 60 days.

⁴In this docket, the commission addresses its obligation under the TRO through two (2) distinct parts, a 90-day Review (Part I) and a 9-month Review (Part II). The commission decided that a 90-day review should not be undertaken in Order No. 20712, filed on December 11, 2003, largely due to the unresponsiveness of the Hawaii competitive local exchange carriers who did not request that such a proceeding occur as ordered. The TRO Parties submitted a stipulated proposed prehearing order on January 12, 2004, setting forth the issues, a schedule of proceedings, and all other procedural matters to govern the 9-month Review in this docket. The commission issued Prehearing Order No. 20762 approving the TRO Parties' stipulated proposed prehearing order, with one minor technical amendment, on January 15, 2004. The TRO Parties address all the issues of Prehearing Order No. 20762 through the Stipulation.

⁵The TRO Parties' request that the commission suspend this docket's schedule of proceedings is, at this juncture, moot. Thus, we believe it unnecessary to further address this matter.

IV.

Orders

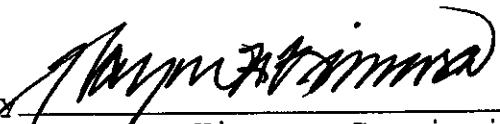
THE COMMISSION ORDERS:


1. The Stipulation filed on March 12, 2004, is approved, in its entirety.
2. This docket is closed.

DONE at Honolulu, Hawaii this 31st day of March, 2004.


PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
Wayne H. Kimura, Commissioner

By 
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:


Ji Sook Kim
Commission Counsel

03-0272.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20881 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

CHERYL S. KIKUTA
ACTING EXECUTIVE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
P. O. Box 541
Honolulu, HI 96809

ALAN M. OSHIMA, ESQ.
MICHAEL H. LAU, ESQ.
OSHIMA, CHUN, FONG & CHUNG
Davies Pacific Center, Suite 400
841 Bishop Street
Honolulu, HI 96813

CLAY DEANHARDT, ESQ.
SENIOR ATTORNEY
AT&T COMMUNICATIONS, INC.
795 Folsom Street, Room 2161
San Francisco, CA 94107

JOEL K. MATSUNAGA
VICE PRESIDENT-EXTERNAL AFFAIRS
VERIZON HAWAII INC.
P. O. Box 2200
Honolulu, HI 96841

LESLIE ALAN UEOKA, ESQ.
ASSISTANT GENERAL COUNSEL
VERIZON CORPORATE SERVICES GROUP INC.
P. O. Box 2200
Honolulu, HI 96841

Certificate of Service

Page 2

STEPHEN S. MELNIKOFF, ESQ.
GENERAL ATTORNEY
REGULATORY LAW OFFICE
OFFICE OF THE JUDGE ADVOCATE GENERAL
U.S. ARMY LITIGATION CENTER
901 North Stuart Street, Suite 700
Arlington, VA 22203-1837

RICHARD B. LEE
VICE PRESIDENT
SNAVELY KING MAJOROS O'CONNOR & LEE, INC.
1220 L. Street, N.W., Suite 410
Washington, D.C. 20005

LISA SUAN
GOVERNMENT & REGULATORY AFFAIRS MANAGER
PACIFIC LIGHTNET, INC.
737 Bishop Street, Suite 1900
Honolulu, HI 96813

LAURA MAYHOOK, ESQ.
J. JEFFREY MAYHOOK, ESQ.
MAYHOOK LAW, PLLC
34808 NE 14th Avenue
La Center, WA 98629

ROCHELLE D. JONES
VICE PRESIDENT, REGULATORY AFFAIRS
TIME WARNER TELECOM OF HAWAII, L.P.
dba OCEANIC COMMUNICATIONS
2669 Kili Hau Street
Honolulu, HI 96819

J. DOUGLAS ING, ESQ.
PAMELA J. LARSON, ESQ.
WATANABE ING KAWASHIMA & KOMEIJI
First Hawaiian Center, 23rd Floor
999 Bishop Street
Honolulu, HI 96813

Certificate of Service
Page 3

TONY THOMAS
EXECUTIVE VICE PRESIDENT
DIRECT TELEPHONE COMPANY INC.
6300 Richard, Suite 301
Houston, TX 77057

BOB LIVINGSTON
PRESIDENT
DIRECT TELEPHONE COMPANY INC.
6300 Richmond, Suite 301
Houston, TX 77057

ALAN PEDERSEN
VICE PRESIDENT - REGULATORY AFFAIRS
SANDWICH ISLES COMMUNICATIONS, INC.
Pauahi Tower, Suite 2700
1001 Bishop Street
Honolulu, HI 96813

CLIFFORD K. HIGA, ESQ.
BRUCE NAKAMURA, ESQ.
KOBAYASHI, SUGITA & GODA
First Hawaiian Center, Suite 2600
999 Bishop Street
Honolulu, HI 96813

JUDY A. TANAKA, ESQ.
COLIN A. YOST, ESQ.
PAUL JOHNSON PARK & NILES
American Savings Bank Tower, Suite 1300
1001 Bishop Street
Honolulu, HI 96813

ROBERT MUNOZ
MCI
201 Spear Street, 9th Floor
San Francisco, CA 94105



Karen Higashi

DATED: March 31, 2004